

Strategy for Change

October 26, 2000

Current Situation

- **Underlying Issues:**
 - Fragmentation of core processes across multiple organizations
 - Extensive cross organizational coordination required
 - Diffusion of accountability
 - Distrust between organizations disruptive
- **Resulting In:**
 - Significant redundancy in functions
 - Shadow organizations and big meeting
 - Defensive posturing
 - Elongated development/test/deployment periods
 - External criticism
 - Criticism of IPDS (lack of empowerment)

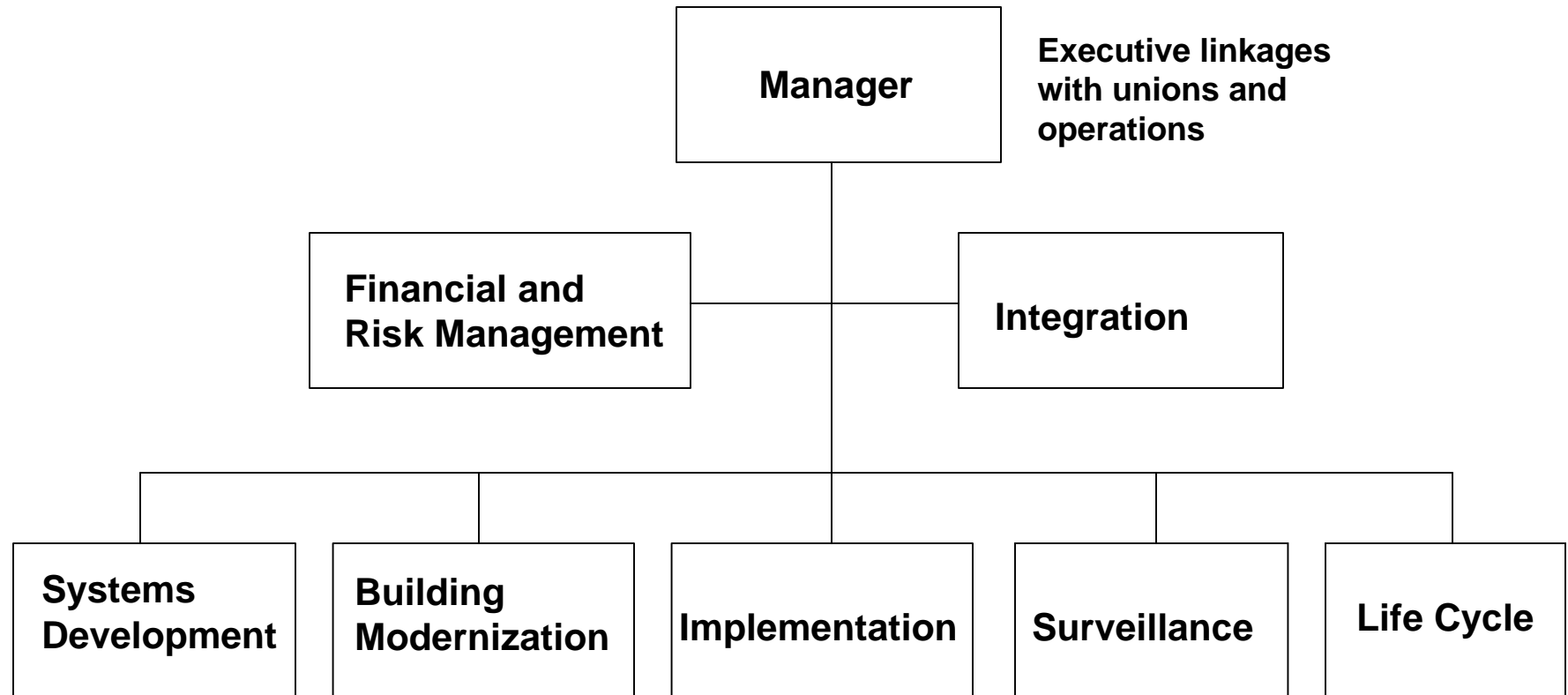
Approach

- **Align organization around services FAA provides**
 - Rather than products and functions
- **Incremental implementation**
 - Establish Terminal Modernization Business Unit
 - Start with automation and facilities
 - Grow to include surveillance, procedures/airspace, life cycle, etc.
- **Implement additional business units**
 - En Route, Navigation, etc.

Establish Terminal Modernization Business Unit

- **One group responsible for modernization of terminal service**
 - Not about operations, not about engineering
- **Scope**
 - Set priorities
 - Manage risk
 - Manage processes
 - Integrate products
- **Need**
 - Consolidate F&E dollars associated with Terminal Modernization
 - Establish linkages to R,E&D and Ops. Costs
 - Reassign people
 - Essential to process of modernization are assigned to business unit
 - headquarters and region
 - Give business unit responsibility and authority to change and manage core processes

Organizational Concepts



Implementation - Timing and Phasing

- **Initial reassignments**
 - AUA-300
 - ARU
 - ACT
 - AOS (Imp & test, not 2nd level)
 - ASU
 - AFZ
 - ATX
 - ANS
 - ANI
 - ARR
- **Add later, as necessary**
 - ATQ
 - ATP
 - ATA
 - ASD
 - AAR
 - AND

Reassignments limited to terminal modernization functions

Initial Actions

- **Develop organization for Terminal Modernization Business Unit and implement**
 - Decide to do or defer
 - Decide who does it
 - Define business unit structure and content
 - Direct affected organizations
 - Implement
 - Issues:
 - Transition must not be allowed to negatively impact operations
 - Significant disruption of AUA, ANI, ANS, AOS, ARS, etc.
 - Physical collocation of business unit
 - Multiple bargaining units
 - Multiple support contractors

Why Do This?

- **Wrong reasons**
 - Just to fix STARS deployment
 - Quick fix to answer IG report on IPDS
- **Right reasons**
 - Ready to commit to long term organizational realignment
 - Ready to address agency performance issues
 - Ready to make better use of resources
 - Ready to put agency on firm business footing
 - Ready to hold people accountable